Steven L. Beshear Governor

Attorney at Law

Leonard K. Peters Secretary Energy and Environment Cabinet

Honorable Henry M. Reed, III

2218 Frankfort Avenue Louisville, KY 40206-2408

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Commonwealth of Kentucky Public Service Commission

211 Sower Blvd. P O. Box 615 Frankfort. Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc ky gov

December 2, 2008

David L. Armstrong Chairman

> James Gardner Vice-Chairman

John W. Clay Commissioner

RE: Case No. 2008-00480 Adair County Water District

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Ryan Gatewood, Director

Division of Filings

RG/rs Enclosure



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Fax: (502) 564-3460 psc.ky gov David L. Armstrong Chairman

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Lennon Stone Adair County Water District P. O Box 567 109 Grant Lane Columbia, KY 42728

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IN THE MATTER OF THE APPLICATION OF THE ADAIR COUNTY WATER DISTRICT, A WATER DISTRICT ORGANIZED PURSUANT TO CHAPTER 74 OF THE KENTUCKY REVISED CASE NO 2008-00480 STATUTES, IN ADAIR COUNTY, KENTUCKY, FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, AUTHORIZING AND PERMITTING SAID ADAIR WATER DISTRICT TO CONSTRUCT WATER DISTRIBUTION SYSTEM IMPROVEMENTS, CONSISTING OF THE CONSTRUCTION OF EXTENSIONS, FILED ADDITIONS AND IMPROVEMENTS TO THE DISTRICT'S WATER SYSTEM AND (2) THE RATIFICATION OF THE PROPOSED PLAN OF FINANCING SAID IMPROVEMENTS. PUBLIC SERVICE **PETITION** 

Pursuant to KRS 278.023, this Petition of the Adair County Water District ("District" or "Petitioner"), respectfully states:

- 1. That Petitioner is a Water District in Adair County, created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes, pursuant to an Order of the County Court of said County, following the requisite procedure prescribed in said Chapter 74.
- 2. That the Post Office address of said District is "Adair County Water District, Danny Downey, Vice Chairman, P.O. Box 567, Columbia, Kentucky 42728".
- 3. That the formation of the District, its present tariff of rates, and the issuance of its outstanding long term indebtedness have been previously approved by Orders of the Public Service Commission of Kentucky ("PSC").
- 4. That in 2007 the District embarked on a two Phase Project. On June 14, 2007, the Commission entered an order granting a Certificate of Public Convenience and Necessity and approving the financing plan for Phase 1 of the Project. The Commission's Order in Case No. 2007-00195 is attached to the Exhibit Addendum accompanying this Petition.
- 5 That subsequent to the entry of the Commission's Order of June 14, 2007 the District obtained a Loan in the amount of \$1,000,000 from the Kentucky Infrastructure Authority ("KIA"). On December 12, 2007, the Commission entered an Order approving the KIA Loan and its application, if required, to Phase I of the Project as well as to an undetermined Phase II of the Project; provided, however, that Section 6 of said Order required the District to obtain a Certificate of Public Convenience and Necessity for Phase II of the Project upon the specific details of said Phase II being determined. The Commission's Order in Case No. 2007-00473 is attached to the Exhibit Addendum accompanying this Petition.
- 6. That the specifics of Phase II have now been determined and the District seeks a Certificate of Public Convenience and Necessity approving the construction of extensions, additions and improvements to the District's Water System, herein described as Phase II of the Project consisting of (a) 1,900 LF of 6-inch water line, (b) 28,890 LF of 4-inch water line, and (c) 53,350 LF of 3-inch water line in order to serve approximately 75 new residential customers located on 14 different rural roads